



BIWTC



**ANNUAL REPORT
2014-2015**

BANGLADESH INLAND WATER TRANSPORT CORPORATION

BIWTC BHABAN
24 Kazi Nazrul Islam Avenue
Fairly House, Dhaka-1000. Bangladesh.



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From the Desk of Chairman



BIWTC had been playing a vital role in the socio-economic development efforts of the nation by carrying passengers, cargo and vehicles in the IWT sector of the country. Moreover as part of its public service obligations it is rendering services as per Government's directives by connecting the offshore islands in the Bay of Bengal with the mainland of the country.

It may be mentioned here that BIWTC made a net profit of Tk. 62.27crore in financial year 2013-2014 and Tk. 57.29 crore in financial year 2014-2015. Strong determination, sincerity and pragmatic policies of the present management improved both administrative and financial performance of the corporation substantially.

Publication of Annual Report is undoubtedly a delicate task. I take this opportunity of congratulating the officials who were engaged in publishing this informative annual report of BIWTC for the year ended 30th June 2015. The report reveals a complete picture of the activities of BIWTC including financial health of the corporation.

I hope, this publication will go a long way in depicting a clear profile of the organization and help make the Nation familiar with its activities and achievements, once again.

(Engr. Gnan Ranjan Sil, Phd.)
CHAIRMAN



BIWTC



Chairman



Director (Admin)



Director (Technical)



Director (Commerce)



Director (Finance)

From the Desk of Director (Finance), BIWTC



At the time of formation BIWTC though owned 608 number of different types of vessels but most of them were age old and in a very dilapidated condition and also inherited an accumulated loss of Tk. 3.27 crore.

BIWTC started its integrated journey on 1st July 1974 and continued to discharge the gigantic task of up-keeping the communications system when there was no private sector in the River Transport and at the same time Road & Railway systems were also in damaged condition.

Due to the poor condition of vessels and ever increasing operational costs though BIWTC was always on operational porfit but could not make net profit before 1995-96 when it earned a net profit of Tk. 1.51 crore followed by Tk. 9.02 crore and Tk. 7.17 crore during 1996-97 and 1997- 98 respectively. But the country's very essential and vital project Bangabandhu Jamuna Multipurpose Bridge (BJMB) was opened on 23.06.1998 and most of the North Bengal bound coaches and light vehicles were diverted from BIWTC ferry system to the bridge resulting a revenue loss to the tune of Tk. 18.00 crore annually and BIWTC again became a loss making organisation during 1998-99 and 1999-2000. Misfortune never comes alone, the increase in fuel price by 22% w.e.f. 16.08.2000, increased the operational expenditure to a great extent. BIWTC employees and officers rose to the occasion and made a determination to make the organisation a profitable one. By taking steps like chartering of idle vessels, quick renovation of revenue generating vessels and reduction of costs in all possible areas, BIWTC by the grace of Almighty Allah has again been turn into a net porfitable organisation from FY 2000-2001 In the financial 2013-2014 and 2014-2015 BIWTC earned net profit of 62.27 and 57.29 crore respectively.

Now BIWTC is a profit making organisation in the Government sector which is required for public interest.

(SHAHEENOR BHUIYAN)
DIRECTOR (FINANCE)

NOTES OF ACCOUNTS



When the road transportation was almost destroyed and disrupted during the Liberation war, to keep the economy stable and as a matter of coverage of the transportation system, the Govt. felt it necessary to establish a Public Obligatory Commercial Organisation and thus Bangladesh Inland Water Transport Corporation (BIWTC) came into being under the P.O. 28 of 1972. The main function of BIWTC are to provide safe and secured transport services for carriage of passenger, vehicle and cargo through the Inland and Coastal water routes of the country and also inter country between India and Bangladesh .

From the beginning BIWTC have been keeping and maintaining its books of accounts in a complete and systematic manner. BIWTC's Accounts have been computerized since long. The accounts of the Corporation are prepared on going concern basis under the historical cost convention based on generally accepted accounting principles. Yearly Profit & Loss Accounts and Balance Sheet are prepared as usual on the above basis. Besides these, monthly Route-wise, Vessel-wise and Unit-wise Earnings and Expenditure are also being prepared for management information.

BIWTC earns through its operational services as well as investment surplus funds in fixed deposit accounts and also other miscellaneous sources. BIWTC earned a net profit of Tk. 56.08 crore during 2012-2013 and Tk. 62.27 crore during the FY 2013-2014 and Tk.57.29 crore during 2014-2015. The net profit would have been much more if had there been full reimbursement of loss incurred by the Corporation in maintaining passenger services in uneconomic routes in coastal and off-shore islands as Public Service Obligation (PSO). Though there is a decision to reimburse the loss incurred by the Corporation in maintaining the above services from the Govt. revenue budget as subsidy but only a lump-sum amount of Tk.50.00 lac is being paid annually. A total amount of Tk.199.79 crore has been lying outstanding under the head Subsidy Receivable from the Govt. For transparency in accounts, this amount has been shown once as asset under the head "Subsidy Receivable Account" and again the same amount has been shown as liability under the head "Income Suspense Subsidy" in the Balance Sheet.

*(MD. NURUL HUDA)
General Manager (Accounts)*

Bangladesh Inland Water Transport Corporation
(An Inland Shipping Organisation)

Balance Sheet From 2010-2011 to 2014-2015

Figure in Lac

SL.NO.	Particulars	2010- 2011 (Audited)	2011- 2012 (Audited)	2012- 2013 (Audited)	2013- 2014 (Audited)	2014- 2015 (Audited)
1.	<u>Application of Funds</u>					
	Fixed Assets-at cost less Dep.	47175.50	51455.49	53267.29	58908.03	65618.31
	Capital work in Progress	3504.47	4091.69	5933.04	7864.55	13569.29
	Investment against Employees Gratuity Fund	6369.42	6757.13	7495.04	8462.21	18422.17
	Subsidy Receivable Account	15815.46	16845.22	18069.92	18964.86	19978.59
		72864.85	79149.53	84765.29	94199.65	117588.36
2.	<u>CURRENT ASSETS:</u>					
	Stock and Stores	4370.97	4114.30	4042.27	3812.58	3762.40
	Sundry Debtors less Provision	2905.00	3081.39	3407.59	3530.96	2963.37
	Advance, Deposits and Prepayments	5079.91	3634.18	4163.85	3558.28	3065.23
	Investments	29487.86	29221.58	32170.65	35209.59	30385.18
	Cash and Bank Balance	1154.43	1397.82	2323.23	4304.47	3524.07
		42998.17	41449.27	46107.59	50415.88	43700.25
3.	<u>Less: CURRENT LIABILITIES:</u>					
	Accrued Interest on Local Loan	7857.62	8220.23	8626.91	9095.35	9855.49
	Accrued Interest on Foreign Loan	10623.98	11131.33	11604.69	12039.00	12425.99
	Expenses	5885.47	4200.54	3207.96	2341.51	2180.04
	Capital Expenses	7.20	7.25	7.20	7.20	7.20
	Deposit and Advance	1850.19	2105.89	2852.80	2414.07	2346.15
	Other Finance	757.03	857.85	1082.71	2044.49	1697.49
		26981.49	26523.09	27382.27	27941.62	28512.36
4.	Working Capital (2-3)	16016.68	14926.18	18725.32	22474.26	15187.89
	Total Application of Funds (1+4)	88881.53	94075.71	103490.61	116673.91	132776.25
5.	<u>Sources of Finance:</u>					
	Capital	12026.89	12026.89	12026.89	12026.89	12026.89
	Reserve and Surplus	18322.80	18301.79	18280.78	18601.64	18636.27
	Insurance Fund	2386.69	2661.53	2958.17	3267.96	3549.14
	Loans	16534.75	17207.56	17578.91	20904.19	27681.19
	Depreciation Fund	2344.11	2687.24	3228.85	3759.49	4249.13
	Disinvestment Fund	2943.54	3510.22	4158.12	4775.53	5314.06
	BIWTC Employee's Gratuity Fund	6369.42	6757.13	7495.04	8450.85	18422.17
	Pre-liberation Account	10.10	10.10	10.10	10.10	10.10
	Lease Money	224.85	219.91	214.34	207.62	202.04
	Income Suspense-Subsidy	15815.46	16845.22	18069.92	18964.86	19978.59
		76978.61	80227.59	84021.12	90969.13	110069.58
6.	Less: Loss Carried Forward	11902.92	13848.12	-19469.49	-25704.78	-22706.67
	Total Sources of Finance: (5-6)	88881.53	94075.71	103490.61	116673.91	132776.25

Bangladesh Inland Water Transport Corporation
(An Inland Shipping Organisation)

Profit & Loss A/C.From 2010-2011 to 2014-2015

(Fig.in Lac.Taka)

SL.NO.	Head of Accounts	2010- 2011 (Audited)	2011- 2012 (Audited)	2012- 2013 (Audited)	2013- 2014 (Audited)	2014- 2015 (Audited)
<u>Traffic Earnings:-</u>						
1	Passenger Service	1079.24	1033.21	1333.94	1440.86	1465.17
	Ferry Service	16993.80	18514.63	22031.06	24309.13	28463.40
	Cargo Service	776.08	787.98	869.84	735.60	283.09
	Sub-Total	18849.12	20335.82	24234.84	26485.59	30211.66
2	Misc. Income					
	Others	692.77	642.22	774.28	926.86	932.37
	Income on Investment	1656.63	1990.41	2211.26	2322.88	1528.07
	Sub-Total	2349.40	2632.63	2985.54	3249.74	2460.44
3	Total Earnings (1+2)	21198.52	22968.45	27220.38	29735.33	32672.10
<u>Expenditure</u>						
4	Direct Fleet Expenses	11500.78	14174.17	15148.12	16503.72	18781.54
5	Traffic Operation Expenses	177.66	209.15	206.18	262.23	312.81
6	Shore Establishment Expenses	3409.62	3479.04	3295.65	3539.25	4200.67
7	Shore Contingencies	341.89	526.85	488.52	448.43	575.64
8	Sub Total (4+5+6+7)	15429.95	18389.21	19138.47	20753.63	23870.66
9	Less Subsidy	50.00	50.00	50.00	50.00	50.00
10	Operational Expenditure (8-9)	15379.95	18339.21	19088.47	20703.63	23820.66
11	Operational Surplus (3-10)	5818.57	4629.24	8131.91	9031.70	8851.44
12	Provision for Bad Debts	0.64	8.70	10.06	17.30	8.62
13	Interest on Loan	891.45	869.97	880.05	902.75	1147.12
14	Depreciation	1218.98	1322.32	1433.65	1584.94	1666.81
15	Sub Total (12+13+14)	2111.07	2200.99	2323.76	2504.99	2822.55
16	Total Expenditure (10+15)	17491.02	20540.20	21412.23	23208.62	26643.21
17	Net Profit / loss (3-16)	3707.50	2428.25	5808.15	6526.71	6028.89
18	Divident paid to Govt.	500.00	500.00	200.00	300.00	300.00
19	Net Profit after Divident (17-18)	3207.50	1928.25	5608.15	6226.71	5728.89

RATIO ANALYSIS

Figure in Crore Tk.

PARTICULARS	30.06.2011	30.06.2012	30.06.2013	30.06.2014	30.06.2015
<u>PROFITABILITY RATIO:</u>					
Net Profit/Loss	37.08	24.28	58.08	65.27	60.29
Total Earnings	211.99	229.68	272.20	297.35	326.72
Net Profit/Loss as a % of Earnings	17.49%	10.57%	21.34%	21.95%	18.45%
Total Earnings	211.99	229.68	272.20	297.35	326.72
Total Assets	1000.48	1037.54	1128.03	1256.51	1413.10
Total Assets Turnover	0.21 Times	0.22 Times	0.24 Times	0.24 Times	0.23 Times
Net Profit/Loss	37.08	24.28	58.08	65.27	60.29
Net Equity	422.68	441.98	497.98	563.33	533.70
Net Profit/Loss as % of Net Equity	8.77%	5.49%	11.66%	11.59%	11.30%
Net Profit/Loss	37.08	24.28	58.08	65.27	60.29
Total Assets	1000.48	1037.54	1128.03	1256.51	1413.10
Net Profit/Loss as % of investment	3.71%	2.34%	5.15%	5.19%	4.27%
<u>LIQUIDITY RATIO:</u>					
Current Assets	429.98	414.49	461.08	504.16	437.00
Current Liabilities	238.92	269.81	265.23	279.42	285.12
Current Ratio	1.80	1.54	1.74	1.80	1.53
Current Assets - Less Stock	386.27	373.35	420.65	466.03	399.38
Current Liabilities	238.92	269.81	265.23	279.42	285.12
Quick Ratio	1.62	1.38	1.59	1.67	1.40
Current Assets	429.98	414.49	461.08	504.16	437.00
Total Assets	1000.48	1037.54	1128.03	1256.51	1413.10
% of Current Assets to Total Assets	42.98%	39.95%	40.87%	40.12%	30.93%
<u>EXPENSES RATIO:</u>					
Expenditure	174.91	205.40	214.12	232.09	266.43
Earnings	211.99	229.68	272.20	297.35	326.72
Expenses as % of Earnings	82.51%	89.43%	78.66%	78.05%	81.55%
<u>CAPITAL STRUCTURE RATIO :-</u>					
Debts (Loan & Interest)	349.07	350.16	365.59	420.39	499.63
Net Equity (Capital+Reserve - Accumulated Loss)	422.68	441.98	497.98	563.33	533.70
Debt Equity Ratio	45 55	44 56	42 58	43 57	48 52

FERRY SERVICE:

Performance of ferry service is shown in the table below :

PROFIT & LOSS A/C OF FERRY SERVICE Figure in Lac Taka

Sl. No	Particulars	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
A	<u>EARNINGS:</u>					
1	Traffic Earnings	16988.67	18775.52	22113.96	24220.14	28422.00
B	<u>EXPENDITURE:</u>					
1	Fuel Consumption	5772.96	7826.69	8349.56	8471.85	10136.15
2	Repairs & Maintenance	619.48	952.64	895.27	1388.12	1430.79
3	Port, Survey Fee Etc	34.37	39.02	46.69	28.59	41.48
4	Pay & Allowances (Fleet)	1359.63	1388.20	1440.30	1635.45	1819.63
5	Indirect Expenses	961.94	985.34	1005.55	1164.54	1373.54
6	Total (1+2+3+4+5)	8748.38	11191.89	11737.37	12688.55	14801.59
7	Operational Surplus [⊗] (A-B6)	8240.29	7583.63	10376.59	11531.59	13620.41
8	Depreciation	701.84	695.44	751.77	776.49	965.58
9	Interest on Loan	437.34	382.85	362.24	475.82	438.05
10	Total (8+9)	1139.18	1078.29	1114.01	1252.31	1403.63
11	Total Expenditure (6+10)	9887.56	12270.18	12851.38	13940.86	16205.22
C	Net Profit & Loss (A-B)	7101.11	6505.34	9262.58	10279.28	12216.78

3.2. PASSENGER SERVICE

3.2.1 Coastal Passenger Services :

Performance of the Coastal Passenger Service is shown in the table below :

PROFIT & LOSS A/C OF PASSENGER SERVICE (COASTAL)

Figure in Lac Taka

Sl. No	Particulars	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
A)	<u>EARNINGS:</u>					
1	Traffic Earnings	649.63	495.66	555.04	709.11	700.18
B)	<u>EXPENDITURE:</u>					
1	Fule Consumption	538.87	363.97	280.98	479.26	414.45
2	Repaires & Maintenance	135.26	304.97	171.30	149.38	238.31
3	Port, Survey Fee Etc	0.96	7.29	18.28	8.16	20.37
4	Pay & Allowances (Fleet)	428.32	420.25	409.19	434.31	387.55
5	Indirect Expenses	314.99	277.77	254.59	355.79	324.95
6	Total (1+2+3+4+5)	1417.90	1374.25	1134.34	1426.90	1385.63
7	Operational Surplus:(A-B6)	-768.28	-878.59	-579.30	-717.79	-685.45
8	Depreciation	198.18	232.60	220.76	217.36	206.55
9	Interest on Loan	151.47	125.35	144.89	128.57	56.31
10	Total (8+9)	349.65	357.95	365.65	345.93	262.86
11	Total Expenditure (6+10)	1767.55	1732.20	1499.99	1772.83	1648.49
C)	Net Profit & Loss (A-B)	-1117.92	-1236.54	-944.95	-1063.72	-948.31

3.2.2 Inland Passenger Services :

Performance of the Inland Passenger Service is shown in the table below :

PROFIT & LOSS A/C OF PASSENGER SERVICE (INLAND)

Figure in Lac Taka

Sl. No	Particulars	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
A)	<u>EARNINGS:</u>					
1	Traffic Earnings	424.72	537.57	778.90	731.75	794.99
B)	<u>EXPENDITURE:</u>					
1	Fuel Consumption	611.24	804.33	952.47	1030.23	1306.21
2	Repairs & Maintenance	370.76	387.19	333.88	256.23	251.65
3	Port, Survey Fee Etc	20.95	17.42	9.06	10.04	9.48
4	Pay & Allowances (Fleet)	322.18	293.96	341.46	357.38	396.28
5	Indirect Expenses	315.86	354.95	366.59	438.31	538.49
6	Total (1+2+3+4+5)	1640.99	1857.85	2003.46	2092.19	2502.11
7	Operational Surplus:(A-B6)	-1216.27	-1320.28	-1224.56	-1360.44	-1707.12
8	Depreciation	122.54	123.65	119.73	122.53	247.97
9	Interest on Loan	20.65	17.97	15.75	15.67	12.12
10	Total (8+9)	143.19	141.62	135.48	138.20	260.09
11	Total Expenditure (6+10)	1784.18	1999.47	2138.94	2230.39	2762.20
C)	Net Profit & Loss (A-B)	-1359.46	-1461.90	-1360.04	-1498.64	-1967.21